

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 2547 – HB 2682**

February 23, 2010

**SUMMARY OF BILL:** Defines “Courthouse Square Revitalization and Tourism Development Zone” (CRZ) or “Revitalization and Development Zone” as an area within 700 feet of the Jonesborough courthouse square. Authorizes the sales and use tax revenue generated within the CRZ to be returned to the municipality to maintain and improve the viability of the CRZ. Requires the City of Jonesborough to file an application with the Department of Finance and Administration (F&A) including the name and description of the proposed CRZ, a listing of all properties within the zone, and other information as is needed by F&A. Directs the Department of Revenue to make tax payments to the City of Jonesborough within 90 days of the end of each fiscal year.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue – \$1,554,000**

**Increase Local Revenue – \$1,554,000**

**Assumptions:**

- According to the Department of Revenue, \$5.18 million in state sales and use tax was collected in Jonesborough in FY2009.
- Based on information provided by the Town of Jonesborough, the proposed Courthouse Revitalization Zone (CRZ) includes the B2 and B4 business districts surrounding the Courthouse. The proposed districts include 30 percent of all Jonesborough sales tax collections.
- Redirection of sales tax collections will decrease state revenue by \$1,554,000 (\$5,180,000 x 30%) per year. Local government revenue will correspondingly increase by \$1,554,000.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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